SECOND AMENDMENT TO

INTERAGENCY AGREEMENT

Between the

UNITED STATES DEPARTMENT OF STATE (Bureau of Near Eastern Affairs, Office of Iraq Assistance)

and the

UNITED STATES ARMY Corps of Engineers

for

INFRASTRUCTURE SECURITY PROTECTION FOR OIL, WATER, AND ELECTRICITY

I. PURPOSE

This document amends the "Interagency Acquisition Agreement Between the United States Department of State (Bureau of Near Eastern Affairs, Office of Iraq Assistance) and the United States Army Corps of Engineers for Infrastructure Security Protection for Oil, Water and Electricity", as amended on August 23, 2007, (IAA) to return \$20,000,000 in obligated but unexpended FY 2006 Supplemental Economic Support Funds (ESF) from the United States Army Corps of Engineers, hereinafter called the "Servicing Agency," to the Department of State (Bureau of Near Eastern Affairs, Office of Iraq Assistance and Economic Affairs) (NEA/I/ECON).

II. STATEMENT OF WORK

- 1. The Servicing Agency shall continue to provide personnel and services to accomplish the activities outlined in paragraphs 1 through 7 of the section III of the IAA, consistent with the revised budget estimate in paragraph 2 below.
- 2. The program will consist of \$227,000,000 to be implemented in accordance with the following budget estimate:

Electricity Sector: \$110,000,000 Oil Sector: \$110,000,000 Water Sector: \$7,000,000

4. Paragraphs 9 through 13 of Section III of the IAA shall continue to apply to the funding that remains obligated, as set forth in Section IV of this amendment to the IAA.

III. <u>AUTHORITIES AND RESTRICTIONS</u>

A. Authorities

This amendment to the IAA is undertaken pursuant to the authority of Part II, Chapter 4 of the Foreign Assistance Act, as amended (FAA), and funding as provided in Title I, Chapter 3 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (P.L. 109-234) (FY06 Supplemental), which provides Economic Support Funds for Iraq, Section 632(b) of the FAA, 22 U.S.C. 2392, and 10 U.S.C. 3036(d)(2).

B. Restrictions and Responsibilities

Section IV.B. of the IAA shall continue to apply to the funding that remains obligated as set forth in Section IV of this amendment to the IAA.

IV. DEOBLIGATION AND PROCEDURES FOR RETURN OF FUNDS

Funding in the amount of \$227,000,000 continues to remain available for the purpose of carrying out the Statement of Work described in Section III of the IAA and in accordance with the revised budget estimate in Section II.2 of this amendment to the IAA. Funds in the amount of \$20,000,000 are herein deobligated by this amendment to the IAA.

V. EFFECTIVE DATE AND TERM OF THE AMENDMENT

This amendment becomes effective upon the date of signature of both Parties.

VI. CONTINUITY OF PROVISIONS

Sections VII (Termination), VIII (Liability), IX (Reporting Requirements), X (Modifications), XI (Resolving Disagreements) and XII (Responsible Officials) of the IAA shall apply to all work carried out under the IAA, as modified pursuant to this amendment.

U.S. ARMY CORPS OF ENGINEERS

Merdin W.B. Temple Major General, USA Director of Military Programs

DEPARTMENT OF STATE

Lawrence Butler

Deputy Assistant Secretary Bureau of Near Eastern Affairs